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*EPF302 09/15/2004

Text: Religious Freedom "Moral Foundation of All Just Political Orders," Secretary Powell Says

(Secretary Powell announces 2004 International Religious Freedom Report)

The release of the U.S. Department of State's sixth annual International Religious Freedom report "signifies America's support for all who yearn to follow their conscience without persecution," said U.S. Secretary of State Colin Powell.

The report outlines barriers to and improvements in religious freedom in countries throughout the world, and designates certain countries as "Countries of Particular Concern (CPC)" for severe violations of religious freedom. Five countries that had been designated CPC's in 2003 -- Burma, China, Iran, North Korea and Sudan -- have been re-designated as CPC's, with the addition of Eritrea, Saudi Arabia and Vietnam this year.

"Let me emphasize that we will continue engaging the Countries of Particular Concern with whom we have bilateral relationships," Powell said. "Our existing partnerships have flourished in numerous capacities and they are just one of the best ways for us to encourage our friends to adopt tolerant practices."

Powell also commended countries such as Turkey and Georgia who "have adopted good practices or have taken steps to promote greater tolerance for all religious faiths."

The full text of the 2004 International Religious Freedom Report can be found at:
<http://www.state.gov/g/drl/rls/irf/2004/>

Below find the text of Secretary Powell's remarks:

SECRETARY POWELL: Good morning, ladies and gentlemen. Today I submitted to Congress the Department of State's sixth annual Report on International Religious Freedom. Ambassador Hanford and his team have done an outstanding job preparing his report, and it is now available on the Department's website, www.state.gov.

America's commitment to religious liberty is older than our nation itself. The men and women who journeyed to this new world believed that one's conscience was sacred ground upon which government cannot tread.

Those courageous settlers cherished religious freedom as one of many inalienable rights inherent in human nature itself, one of those rights that formed the moral foundation of all just political orders.

As President Bush has said, religious liberty is the first freedom of the human soul. America stands for that freedom in our own country, and we speak for that freedom throughout the world.

With the release of today's report, we reaffirm the universal spirit of our nation's founding. We reaffirm that government exists to protect human rights, not to restrict them; and we stand in solidarity with people everywhere who wish to worship without coercion.

Country by country, this report documents the conditions of religious freedom around the world. We are always eager to commend nations that have made progress over the past year, and the report's Executive Summary acknowledges countries, such as Georgia and Turkey, that have adopted good practices or have taken steps to promote greater tolerance for all religious faiths.

But the report also makes clear that too many people in our world are still denied their basic human right of religious liberty. Some suffer under totalitarian regimes, others under governments that deliberately target or fail to protect religious minorities from discrimination and violence. By shining a light on this issue, this report signifies America's support for all who yearn to follow their conscience without persecution.

The report also identifies what we refer to as Countries of Particular Concern, governments that engage in or tolerate gross infringements of religious freedom.

Our decisions are based on a careful assessment of the facts and represent a fundamental standard of human dignity that all nations should uphold.

Today we are re-designating five countries that, in our judgment, continue to violate their citizens' religious liberty: Burma, China, Iran, North Korea and Sudan. We are also adding three additional countries to this list: Eritrea, Saudi Arabia and Vietnam.

Let me emphasize that we will continue engaging the Countries of Particular Concern with whom we have bilateral relationships. Our existing partnerships have flourished in numerous capacities and they are just one of the best ways for us to encourage our friends to adopt tolerant practices.

The release of today's report underlines our nation's commitment to the protection of religious liberty. This solemn duty has always defined the American character and will forever shape our purpose in the world. Defending the sacred ground of human conscience is a natural commandment to all mankind, and America will always heed this call.

I would now like to introduce Ambassador Hanford, who will take you through the report and answer any questions that you might have. Thank you.

*EPF303 09/15/2004

Transcript: Report Shows U.S. Compassion and Concern For Religious Freedom, Official Says

(Ambassador John Hanford addresses the 2004 designation of "Countries of Particular Concern")

The 2004 International Religious Freedom Report and its designation of "Countries of Particular Concern" (CPC) "represent our nation's concern for the ideal of religious freedom and our compassion for those who are deprived of it," said Ambassador-at-Large for International Religious Freedom John Hanford at the September 15 release of the report.

The sixth annual report to Congress, mandated by the International Religious Freedom Act of 1998, outlines barriers to and improvements in religious freedom in countries worldwide. The new countries designated in 2004 as CPCs for particularly severe violations of religious freedom are Eritrea, Saudi Arabia and Vietnam, which join re-designated 2003 CPCs Burma, China, Iran, North Korea and Sudan.

Hanford faced several questions regarding the designation of Saudi Arabia as a CPC. He cited legal and societal discrimination and hate speech against minority groups such as Shia Muslims who face "widespread discrimination in education, employment and media, and severe restrictions on religious practice," as reasons for the new designation. Hanford also cited discrimination against other religious groups in the Saudi judicial system. He said, however, there have been public statements by Saudi Officials promoting tolerance and moderation.

Hanford said that the United States continues to "engage in vigorous and high-level diplomacy" with officials in the designated countries whenever possible, "suggesting specific steps they can take to improve religious freedom and avoid designation." He also stated that "it's important to note that we have a broader relationship with each of these nations" based on cooperation on important issues and shared interests.

"We continue to strive at home and abroad to uphold religious freedom as the universal right that it is. The spiritual longings of the human heart have an innate dignity all their own, deserving our respect, and demanding our protection," said Hanford.

Following is the text of Ambassador Hanford's remarks.

AMBASSADOR HANFORD: Thank you, Mr. Secretary, for your remarks and for your inspiring commitment to religious freedom around the world. It's a tremendous honor for me to serve you and a President who both have shown such leadership on this issue.

I'm very pleased to have the opportunity today to present the Sixth Annual Report on International Religious Freedom. Following up on the Secretary's announcement, I will also describe the designations of our Countries of Particular Concern or CPCs. Together, I believe that this report and these designations represent our nation's concern for the ideal of religious freedom and our compassion for those who are deprived of it.

The impulse to protect and champion this right is born of our nation's history, which has inspired in us an

appreciation for peace, tolerance and compassion as cornerstones of religious freedom. And it is strengthened by the priority that many Americans continue to place on the importance of religious faith in their own lives.

What is less often appreciated is that there are many nations and cultures around the world where religious freedom is equally valued as precious, where many people would say that their freedom to believe and worship is their most vital and indispensable right. It is this aspiration that we seek today to serve. In our President's words, "Liberty is both the plan of heaven for humanity and the best hope for progress here on earth."

Today, some of the greatest threats to both our national security and to international peace define and even justify their violence in religious terms. This report, in advocating civil societies based on the respect of religious freedom, offers a compelling alternative. Religious extremists cling to the idea that religion demands the death of innocents and the destruction of liberty. We hold confidently to the idea that religious freedom respects the life of all and the cultivation of human dignity.

This is seen in practice as much as in principle. Nations that respect religious freedom rarely pose a security threat to their neighbors. Nations that affirm religious liberty also lay a cornerstone of democracy and rule of law.

For these reasons alone, promoting religious freedom is as much in our national interest as it is our national ideal. Yet while the number of people living in freedom around the world today is growing, there are still too many who suffer under oppressive regimes, authoritarian rulers and intolerant systems. Freedom may be a reality for many, but it remains still only a dream for too many others.

As a hallmark of our nation's history, religious freedom is also a blessing that we seek to encourage in other parts of the world. "Almighty God hath created the mind free," declared Thomas Jefferson, in introducing the landmark Virginia Act for Establishing Religious Freedom. And he continued: "The rights hereby asserted are the natural rights of mankind."

This is one reason why Franklin Delano Roosevelt further enshrined this commitment as a national priority and an international goal. In January 1941, as much of the world lay in chains or in peril, and the war in Europe and Asia ominously approached our nation's door, he responded not just with economic and security assistance, but also with a promise of the "Four Freedoms," as he called them. One of these essential human freedoms, he proclaimed is the "the freedom of every person to worship God in his own way everywhere in the world."

Our own nation's history has not been perfect, nor do we claim to be so today. We continue to strive at home and abroad to uphold religious freedom as the universal right that it is. The spiritual longings of the human heart have an innate dignity all their own, deserving our respect, and demanding our protection.

In 1998, Congress passed the International Religious Freedom Act, which, among other things, commissioned this report, created my office with the mandate of integrating religious freedom advocacy into our foreign policy. President Bush has worked to strengthen this commitment as a national priority, stating in his National Security Strategy that the U.S. Government will "take special efforts to promote freedom of religion and conscience, and defend it from encroachment by repressive governments."

For all of our efforts, considerable challenges remain. Too many people continue to suffer for the belief or practice of their faith, and too many governments refuse to recognize or protect this universal right. That religious believers willingly endure beatings, torture, imprisonment and even death, is a bracing reminder of the resilience of faith. That we can tell in this report of their plight and their perseverance is a testament to their courage.

Besides mandating the production of this report, the International Religious Freedom Act also requires us to review conditions around the world and determine which countries, if any, have committed particularly severe violations of religious freedom. If we determine this to be the case, we are required by the law to designate that country as a Country of Particular Concern, or CPC for short. By definition, a CPC is a government that has engaged in or tolerated

systematic, ongoing, egregious violations of religious freedom.

Before designating a government as a CPC, we undertake an intensive consideration of the status of religious freedom violations in that country. When possible, we also engage in vigorous and high-level diplomacy with authorities in that country, describing to them the religious freedom violations that place them at the threshold of designation, and suggesting specific steps they can take to improve religious freedom and avoid designation.

Today we are making our CPC designations for 2004. First, I should note that Iraq has been removed from the CPC list. Iraq had been designated in the past due to the Saddam Hussein regime's repression of religious belief and practice, particularly his vicious persecution of Shia Muslims. Now that he has been removed from power and the new transitional government is working to protect religious freedom, Iraq is no longer a CPC.

As the Secretary noted, today we are re-designating the other five countries that were designated last year: China, North Korea, Burma, Iran and Sudan. We are also designating three additional countries as CPCs: Eritrea, Saudi Arabia and Vietnam.

In China, the government continues to repress Tibetan Buddhists, Uighur Muslims, Catholics faithful to the Vatican, underground Protestants and Falun Gong. Many religious believers are in prison for their faith and others continue to face detention, beatings, torture and the destruction of places of worship. Many observers believe that in recent months China has engaged in a crackdown against some independent religious groups.

In North Korea, religious freedom simply does not exist. Credible reports indicate that religious believers, particularly Christians, often face imprisonment, torture or even execution for their faith.

In Burma, the regime's high level of overall repression includes severe violations of religious freedom. Some religious believers, including a number of Buddhist monks, are imprisoned, and some Christian clergy face arrest and the destruction of their churches. The

government has destroyed some mosques and Muslims face considerable discrimination, including occasional state-orchestrated or -tolerated violence.

In Iran, religious minorities, including Sunni Muslims, Baha'is, Mendelians, Jews and Christians face imprisonment, harassment, intimidation and discrimination based on their religious beliefs.

In Sudan, the government continues to attempt to impose Sharia law on non-Muslims in some parts of the country, and non-Muslims face discrimination and restrictions on the practice of their faith.

In Eritrea, the government, in 2002, shut down all religious activity outside of four officially recognized groups. All independent religious groups have been forced to close, and over 200 Protestant Christians and Jehovah's Witnesses remain in prison for their faith. Some reportedly have been subjected to severe torture and pressured to renounce their faith and many others have been detained and interrogated.

In Saudi Arabia, the government rigidly mandates religious conformity. Non-Wahabi, Sunni, Sunni Muslims, as well as Shia and Sufi Muslims, face discrimination and sometimes severe restrictions on the practice of their faith. A number of leaders from these traditions have been arrested and imprisoned. The government prohibits public non-Muslim religious activities. Non-Muslim worshippers risk arrest, imprisonment or deportation for engaging in religious activities that attract official attention. There were frequent instances in which mosque preachers, whose salaries are paid for by the government, used violent language against non-Sunni Muslims and other religions in their sermons.

In Vietnam, at least 45 religious believers remain imprisoned, including members of the Buddhist, Catholic, Protestant, Hoa Hao and Cao Dai faiths. Many ethnic minority Protestants have been pressured by authorities to renounce their faith, and some have been subjected to physical abuse. Hundreds of churches and places of worship in the central highlands have been shut down.

While we are designating three new countries because of their poor record on religious freedom, it's important to note that we have a broader relationship

with each of these nations. We appreciate their cooperation on a number of important issues, and we have shared interests with them in many areas. We will continue working together on these and other important issues, and we will continue to speak with these governments about our religious freedom concerns.

Promoting religious freedom is a part of our nation's work in the world in which we can all take pride. It is also an endeavor that brings us goodwill across the globe. Many religious believers overseas regularly thank our diplomats for the priority that our government devotes to their plight. They find it remarkable that the United States gives such attention to religious freedom and they encourage us to persevere in our efforts.

As I continue my term as the second Ambassador-at-Large for International Religious Freedom, I wish to thank all the employees of the Department of State here and abroad who have made our Annual International Religious Freedom Report possible. The Office of Country Reports and Asylum Affairs deserves a special word of commendation for their diligent efforts. I also want to express appreciation for the vigilant and bipartisan support that Congress has demonstrated on this issue.

And finally, I wish to thank my own staff in the Office of International Religious Freedom, whose commitment to religious freedom is an inspiration to me and to persecuted people of faith around the world.

Thank you, and I will be pleased, now, to take your questions.

QUESTION: Could you perhaps explain why Saudi Arabia is being listed for the first time since this process started?

AMBASSADOR HANFORD: I cannot comment entirely on decisions that were made prior to my time coming here, and I have not spoken with my predecessor or with our ambassadors to Saudi Arabia in the past. I can say that our ambassadors under this Administration have made this issue a very high priority.

CPC consideration is an ongoing process, and since I have come here, it's been a matter of traveling to Saudi Arabia, both myself and my staff, spending quite a bit of time on the ground there meeting with government officials, with religious leaders, trying to understand the situation as best we can. And we felt that the time had finally come to make that designation.

There are positive developments in Saudi Arabia that we take encouragement from, but there are a number of problems that persist that we feel place Saudi Arabia over the line.

QUESTION: Continuing on with Saudi Arabia, did you note, just in your time starting here, was there some upswing that would have pushed them over the threshold this year and no other year? And was there any consideration given or any pressure on the process because Saudi is such a staunch ally in the war on terror?

AMBASSADOR HANFORD: There was no particular consideration given. They are a valued friend and ally. There is quite a bit of cooperation on counterterrorism, on energy security, regional stability, including the Middle East peace process, which we value greatly.

But the sort of issues, which concerned us most, frankly, had to do with the treatment of Muslims in Saudi Arabia. The Shia Muslims suffer the most. Ten percent of the population, a number of leaders of the Shia Muslims face arrest. There is widespread discrimination in education, employment and media, and severe restrictions on religious practice.

Also, Sunni Muslims, who do not practice the official Salafi branch of Islam, or Wahabi, as it's commonly known in Saudi Arabia, experience discrimination, as do Sufis. In fact, when I traveled there, a group of Sufis had just been arrested.

And then, of course, non-Muslims face serious restrictions as well. Non-Muslims are not allowed to be citizens. You must be a Muslim in order to be a citizen of Saudi Arabia. There are no public places of worship which are allowed.

We are encouraged that the government tolerates people of non-Muslim faith meeting privately, and that they have stated this publicly, and many, many

do, without harassment. But there are cases where there are instances of harassment and even arrest of non-Muslims. There's confiscation of personal religious items as people enter the country -- their sacred books. Some faiths have a particular need for access to clergy. And this is a problem in Saudi Arabia where that simply is not possible.

We are also concerned about the religious-hate speech that occurs in some mosques, where Muslims, who are not of the Salafi faith, as well as other religions, can be in for some pretty severe language.

And we're concerned about the export of religious extremism and intolerance to other countries where religious freedom for Muslims is respected. And this occurs in the case where preachers who are funded may say things, which we view as extreme.

The Mutawwa'in, or religious police, have shown more restraint than is commonly perceived, but there are still cases where they raid peaceful worshippers.

And we also look at discrimination in the judicial system. Shia, for example, do not receive the same treatment as other Muslims. Christians in an injury compensation case will receive half of what Muslims receive, and Hindus and Sikhs will receive 1/16th of what they receive.

QUESTION: I would like to bring your attention to India.

QUESTION: Could I have another one on Saudi Arabia?

AMBASSADOR HANFORD: Yeah, let's stay on Saudi for a little while first. Go ahead.

QUESTION: Aside from the designation and the sort of, you know, branding somebody as CPC, am I correct that the law itself does not designate any other retribution, or inflict any other punishment related to this designation?

AMBASSADOR HANFORD: The law requires that within 90 days, and this can be extended to 180 days, consideration must be given about some sort of consequence, which often takes the form of the sanction. I would direct you to the legislation. It's a

complicated process. There is a lot of flexibility given to the Secretary of State in this process, but no consideration at this point has been given to this.

QUESTION: With the exception of Eritrea, among all these countries that you decide are designated as Countries of Particular Concern, Saudi Arabia seemed to be the only country that is considered the strongest ally of the United States. What kind of practical measures would you use, since you have good relationship with the Saudis to influence the situation there, and I mean you'll be able to change the situation to remove them from the list?

AMBASSADOR HANFORD: Well, we've been pleased with our ongoing discussions with the Saudis. As I mentioned earlier, we recognize that there are some sincere improvements on their part and some efforts to address some of the problems. You know, Saudi is faced with a dynamic of extremists, and we understand that, and understand the complications that that brings. But we look, for example, at public statements that top officials have made, including Abdullah, Crown Prince Abdullah, promoting tolerance and moderation.

Also, a national dialogue has been instituted with the Shia, and this has now been made a permanent institution and we are hopeful that this will bring about greater religious freedom for Shia, as well as for Sufis and other non-Salafi Muslims. Half of the textbooks, or actually, over half of the textbooks have been revised in order to take out inflammatory statements against non-Salafi Muslims and against other religions and we see that as a very important step forward.

And also, the government has taken the measure of firing, apparently, a large number of Imams, which were found guilty of inciting this sort of hate speech and doctrine; others are being forced to be retrained. And then more recently, the National Human Rights Association has been established there.

So these are meaningful steps, and we have every intent of working with our Saudi friends to continuing the dialogue on this and many other important issues.

QUESTION: Ambassador Hanford, with all due respect, the laundry list that you just laid out there -- it

sounds as if you'd almost be taking them off the list of Countries of Concern, rather than adding them to it. Why did the U.S. finally decide to make the decision to put them on the list now, in light of all of the improvements that you've just catalogued?

AMBASSADOR HANFORD: Well, the improvements don't put them back over the threshold. They are meaningful. I think it's an important trajectory; it's an important sign. Some of these are significant and groundbreaking. I think it shows a change of mentality on the part of the leadership to start taking some of these issues seriously, and of course, we understand and sympathize with the price that Saudi Arabia has paid from extremists, just as we have. And some of these changes are coming, in part, as a result of what they're realizing is going on within their own country.

QUESTION: But, I mean, is there -- is there no but to all of this, that despite all of the improvements that they've made --

AMBASSADOR HANFORD: We just feel the improvements aren't adequate at this point to put this -- put them in a position where they do not deserve designation.

Saudi Arabia is one of two countries mentioned in the International Religious Freedom Report where it says religious freedom does not exist. Now, this is not a scientific term, and this means very different things in each of these countries. North Korea is the other country. North Korea is a country where you may have the largest religious prisoner population in the world, where people are tortured, imprisoned, starved to death. It's a very different situation.

In Saudi Arabia, that term refers more to the legal restrictions that religious believers face there. Religious freedom does not exist on the books in Saudi Arabia to allow people to freely practice their faith according to the dictates of their own heart. In practice, many are tolerated, but still there are some, including, in particular, Muslims, who wind up running afoul of this and can be arrested.

QUESTION: Change to India?

AMBASSADOR HANFORD: Yes. Let's -- I want to make sure there are not other questions on Saudi Arabia, first. Is that okay?

QUESTION: Sir, has the religious freedom situation in Saudi Arabia actually worsened in the last year?

AMBASSADOR HANFORD: There are respects in which these things are always changing. And, you know, if you look at the number of prisoners from one year to another, it may get a little worse. As I said, in Saudi Arabia, the problem is not so much an issue of prisoners, though there are some that we're very concerned about. It's also, to be a little more precise, not as much an issue of brutality.

In countries like North Korea, as well as in a number of other nations that we designate as CPCs, the real issue is the brutal treatment that religious believers face there. But in Saudi Arabia, it's more a matter of restriction of religious activity.

QUESTION: It hasn't changed in the last -- since you've been in the office?

AMBASSADOR HANFORD: It has changed -- you know, in any given year, there are more or less people in prison. There is one case we're tracking very carefully right now that we are frustrated by, that we've been pressing the government on for the last five months.

QUESTION: So in the last year, is it more or less?

AMBASSADOR HANFORD: In the last year, I would say it has remained about the same, but we are at the point where we have -- we feel like, or at least I feel like in my time here, we have had an adequate opportunity to dialogue, to try to understand each other, to work on these problems and we felt the time had come that Saudi should be designated.

QUESTION: So is it a pressure tactic?

AMBASSADOR HANFORD: Oh, no, no, uh-uh. No, these designations are ones that we make with a certain degree of sorrow because these are valued relationships, particularly, in a case such as Saudi Arabia. But the U.S. Congress has laid out for us a standard that we feel we must follow and we want to

be fair and speak truthfully about that standard. And so, that's why we find ourselves where we are.

QUESTION: You said it's not a pressure tactic, but earlier on you said that the law allows the Secretary to pursue action, sanctions. Maybe I'm misunderstanding something -- aren't sanctions pressure?

AMBASSADOR HANFORD: Well, I think when Congress designed the International Religious Freedom Act, they viewed them as a way in which the United States takes a stand on this seminal human right and where there is a consequence to designation. We haven't used the sanction so much as a pressure tactic, or else we would have already had discussions on what options we would be considering there.

And as I stated, the Secretary has a broad range of options. There are certain options spelled out in the legislation, but also there are -- there is the opportunity to come up with a commensurate action, a waiver. There are lots of different options that the Secretary may choose from.

QUESTION: I was going to move on to Vietnam.

AMBASSADOR HANFORD: Okay, fine.

QUESTION: India?

AMBASSADOR HANFORD: Okay. Let's go to India first, since he's been very patient here. Okay?

Yes, sir.

QUESTION: Mr. Ambassador, to bring your attention to India, as far as report is concerned, the report is blaming the former government of Atal Bihari Vajpayee's Party BJP.

AMBASSADOR HANFORD: Right.

QUESTION: But the BJP was in power for six years under Atal Bihari Vajpayee.

AMBASSADOR HANFORD: Right.

QUESTION: And he, himself, condemned the riots. It was tragic, of course, because more than 1,000 Hindus

and Muslims were killed. But why didn't you punish the six-year-old government of BJP then; but now you are blaming them, they are not in power. You didn't take any action against the Government of India then.

And second, the report never mentioned a single word on Kashmir, where hundreds of Hindus are being killed in the name of religion in Kashmir.

And finally, the new government, of course, has committed a secular India of taking action against those of -- the criminals going to Gujarat riots. Can you say why you didn't take any action that -- during six years of BJP rule?

AMBASSADOR HANFORD: I was not here during that time. I can assure you that, since I've arrived, we have worked very hard on problems such as the Gujarat riots, and met repeatedly with officials from the Government of India on this as well as other situations where Hindus have been attacked, or Christians or others. There's certainly a rise in cases of attacks on Hindus and other minority religions.

One issue is looking at the involvement of the central government. And my best judgment as to why this designation did not occur over that six-year period is that, in many cases, the problems were not being carried out by the central government. The government abhorred this, and they were assuring our government as well as others that actions would be taken to address this. And we've seen these transpire.

Now, justice moves very slowly often in India --

QUESTION: But Mr. Ambassador, -- I'm sorry to interrupt you, but these riots took place in 2002.

AMBASSADOR HANFORD: Right.

QUESTION: And the government just was ousted only in April.

AMBASSADOR HANFORD: Right.

QUESTION: That's a big gap for not taking action against a government that you are blaming, or you are putting on the report, and you knew all those years that -- what the BJP was doing and Prime Minister

Atal Bihari Vajpayee was here twice in the U.S., and you never raised any --

AMBASSADOR HANFORD: No, we have raised this issue, but the problems in Gujarat, for example, were not carried out by the central government. They were carried out by mobs, and it's true that they appear to have been aided by state or local government officials, and the police did not respond in the way that would appear normal. The attacks were obviously coordinated.

The thing that we take encouragement from is, is I've met with Indian officials. They've said, you know, that India's a democracy, with rule of law, with a sophisticated justice system. And they've said, let our system have a chance to address this.

We are very, very encouraged that while slowly this has been happening, it is happening. And in fact, the Supreme Court, as you know, has recently remanded back for consideration hundreds of cases that had earlier, in Gujarat, been ones where people had been acquitted. There are cases where the Supreme Court has felt that a case needed to be overturned where people had been acquitted and deserved to be convicted. And there have now been several convictions, in very significant cases, of rioters who killed Muslims, in this case.

QUESTION: Quickly one more, just quick. The report said that the new Prime Minister, Mr. Singh, and the President Kalam, both condemned the riots and it was rough. But report did fail, or whether -- because you said the central government was not involved, but the report didn't say that Atal Bihari Vajpayee also condemned the riots, which we did. Is there a mistake or error here that -- whether you believe Atal Bihari Vajpayee, the Prime Minister then, did condemn or not?

AMBASSADOR HANFORD: Well, we don't believe the central government, even under the BJP Government, was involved in inciting those riots. It's well known, of course, that prominent officials of that government held to a very vocal position on Hindu fundamentalism, which conveyed an intolerance for religious minorities. The new government is determined to go a different route, and to return India

to a position that is more secular and has respect for all religious faiths, and we applaud that.

QUESTION: Thank you.

QUESTION: Vietnam. What happened specifically this year to push Vietnam over the line? You know, why this year, why not last year? And now that they are designated CPC, do they -- are they going to face sanctions in Vietnam or -- what is sort of the next step for them?

AMBASSADOR HANFORD: Well, Vietnam has been a country that we have been in intense discussions with over a long period of time. I've been there twice. My staff has been there a number of times. We work hard to try to avoid these designations. Our goal is not just to have a long list of CPCs, it's to promote religious freedom. That is our heart, our passion. That's what we think the American people want us to do.

But the sort of issues that made us feel that Vietnam deserved designation would include the number of religious prisoners, and that's of various faiths: Buddhist, Catholic, Protestant, Hoa Hao, Cao Dai. There are over 45 instances or cases that we know of right now. There had been many hundreds of churches, which had been shut down, and house churches, and places of worship, and the government has refused, in most cases, to reopen these. And these particularly have occurred in the central highlands and the northwest highlands.

And then we are especially troubled by government-sponsored, forced renunciations of faith. And this has happened in a very widespread manner, particularly, again, throughout the central highlands and the northwest highlands, where local and occasionally central government officials are involved in bringing people in, and under great pressure, and sometimes physical abuse, attempting to force them to renounce their faith.

We have asked the government, who tells us that this is not the policy of the government, to simply make this clear, to simply make a public statement, a public policy, clear to everyone in the country that this will not be tolerated. And they have not been willing to do this.

And then there are reports of periodic beatings, even rapes or killing of religious believers.

We appreciate some of the positive steps that Vietnam has made. They have reduced the sentence of Father Lee, who is a celebrated Catholic prisoner, but they have not released him. And this man is in poor health and we are deeply concerned about him. They have released his sentence twice but he needs to be -- they've reduced it twice. He needs to be released.

They have also reopened a small number of churches in the central highlands that had been closed, but if you reopen 2 or 5 percent of the hundreds that have been reopened, that is not enough to avoid designation.

I have worked very hard, and in the case of Vietnam, it's easy to have sort of quantifiable goals. In other countries, it's not. But in this case, we could say, "If you'll take these measures, we can avoid this sort of designation." But we, in spite of the fact that we appreciate that they're good friends and cooperative allies on issues such as economic reform and POW and MIA matters and counterterrorism, we have felt it necessary to come to this point.

QUESTION: Do they now face sanctions?

AMBASSADOR HANFORD: Yeah, it's the same as I explained earlier. This is not something we have gotten around to talking about yet, but over the next 90 to 180 days we will be discussing what measures we feel are appropriate.

QUESTION: On China, this report particularly criticized the restriction on the Uighur Muslims in Xinjiang Province. And considering that some of the Xinjiang Muslims oftentimes carry out violent attacks to make their political statement, just like the Chechen separatists --

AMBASSADOR HANFORD: Right.

QUESTION: -- could a certain level of restriction be justified because the Chinese Government has to conduct its war on terrorism?

AMBASSADOR HANFORD: Right. Well, we understand this and we have actually, as a

government, been vocal in recognizing that in that region there is a terrorist threat. And, of course, we understand that and support the Government of China in its efforts to crack down on this.

However, there are countries such as China, there are other countries -- Uzbekistan is another example -- where the government, we feel, goes too far in rounding up people that are peaceful practitioners of their faith. Sometimes people that pray five times a day as a Muslim or simply attend mosque wind up being suspected of being terrorists when all they're doing is following the dictates of their religion.

And this raises a very important issue, which I think is important to communicate today. We do a great deal of work around the world to help Muslims. The Uighur Muslims are one of those. As my staff has traveled there and as we have worked on this problem, there are signs posted on the mosques, which say, "No one under 18 allowed."

Now, the Chinese Government has promised me that they are going to change this policy and that people of faith of all religions are going to be able to have their children involved in their places of worship and in religious instruction. But in Xinjiang, this is certainly not the case.

But we seek to be fair and evenhanded in this. And an untold story and an important story is the work that we do on behalf of Muslims all over the world, in places like China and Uzbekistan. Of course, we have spoken out on behalf of the freedom of people to wear headscarves in places like France when this is not done in provocative way or in a way that is coerced, but is simply a manifestation of peaceful practice of faith.

And so there are many, many countries where we weigh in to try to grant religious freedom for all faiths.

*EPF308 09/15/2004

Fact Sheet: U.S. Largest Financial Contributor to United Nations

(U.S. contributions to the U.N. in 2003 exceeded \$3 billion)

The following is one of a series of seven fact sheets describing U.S. goals at the 59th session of the United Nations General Assembly:

U.S. PARTICIPATION IN THE UNITED NATIONS FINANCIAL CONTRIBUTIONS

U.S. Engagement in the United Nations

The United Nations provides the United States with an international forum where we can enhance national security, advance foreign policy objectives, and promote American values. The United States seeks to uphold the U.N.'s founding principles. We share a commitment to foster international peace and security; to fight poverty through development; to eradicate pandemic diseases; and to advance freedom, human rights, and democracy.

U.S. leadership in the U.N. is critical to making the world more secure, more democratic, and more prosperous. At the same time, the United States is committed to ensuring good stewardship of U.N. resources so these universal goals are met effectively and efficiently.

U.S. Financial Contributions to the United Nations

The United States is the largest financial contributor to the U.N., and has been every year since its creation in 1945. U.S. contributions to the U.N. system in 2003 were well over \$3 billion. In-kind contributions include items such as food donations for the World Food Program.

The U.S.-assessed contribution to the U.N. regular budget in 2003 was \$341 million, and to U.N. specialized agencies was over \$400 million. The United States also contributed \$686 million in assessments to the peacekeeping budget; \$57 million for the support of the international war crimes tribunals for Rwanda and the former Yugoslavia; and, \$6 million for preparatory work relating to the Capital

Master Plan to renovate the U.N. Headquarters in New York. Moreover, each year the United States provides a significant amount in voluntary contributions to the U.N. and its affiliated agencies and activities, largely for humanitarian and development programs.

Benefits to Americans

The United States benefits from membership in the U.N. and other international organizations by being part of a multilateral approach to address a wide range of serious global issues. Through the U.N., the United States can build coalitions and pursue multilateral programs that advance U.S. and international interests. U.S. priorities include: countering global terrorism; preventing the proliferation of weapons of mass destruction; encouraging nuclear safeguards, arms control, and disarmament; promoting peace in the Middle East and an end to anguish in other regions such as Africa; promoting economic growth; treating those with HIV/AIDS and preventing new HIV infections; and, bringing an end to trafficking in persons. The United Nations provides the forum for the U.S. to address these and other key objectives.

The United States is a generous supporter -- in many cases the largest supporter -- of key U.N. programs. In 2003, the U.S. contributed:

- 57 percent to the budget of the World Food Program to help feed 104 million people in 81 countries;
- 17 percent to the budget of the United Nations Children's Fund to feed, vaccinate, educate, and protect children in 158 countries;
- 14 percent to the core budget of the United Nations Development Program to eradicate poverty and encourage democratic governance; and
- 33 percent to the budget of the United Nations High Commissioner for Refugees.

*EPF309 09/15/2004

Fact Sheet: U.S. Plans Effort at U.N. to End Child Sex Trafficking

(This is a U.S. priority at the 59th U.N. General Assembly)

The following is one of a series of seven fact sheets describing U.S. goals at the 59th session of the United Nations General Assembly:

U.S. DEPARTMENT OF STATE
Bureau of Public Affairs

TO END CHILD SEX TOURISM: FIGHTING TRAFFICKING IN PERSONS

"We must show new energy in fighting back an old evil. Nearly two centuries after the abolition of the trans-Atlantic slave trade, and more than a century after slavery was officially ended in its last strongholds, the trade in human beings for any purpose must not be allowed to thrive in our time."

-- President George W. Bush, September 23, 2003

Trafficking in persons is modern-day slavery, involving victims who are forced, defrauded, or coerced into labor or sexual exploitation. Annually, an estimated 600,000 to 800,000 people -- mostly children and women -- are trafficked across national borders. The United States seeks to strengthen collaboration with countries to combat trafficking in persons, particularly to end child sex tourism.

Child sex tourism involves adult tourists sexually exploiting minors abroad, preying upon the most defenseless among us. It is a horrendous and shameful assault on the dignity and rights of children and is a form of violence and child abuse.

What All Nations Can Do

Education and awareness are the keys to the prevention of trafficking in persons, especially of children. The United States is asking governments to immediately expand and invigorate their anti-trafficking efforts.

Increased rescues of trafficking victims and prosecutions of traffickers are critically needed.

People freed from slavery must be treated as victims of crime, not criminals.

In collaboration with other countries to combat trafficking in persons, the U.S. seeks to build on the "Three Ps":

-- Prevention of trafficking through such efforts as publicity of the threat and shared commitment to fight it;

-- Protection of victims, including rescue and rehabilitation; and,

-- Prosecution of perpetrators.

U.S. Efforts

Since 2001, the U.S. government has:

-- Provided more than \$295 million to support anti-trafficking programs in 120 countries;

-- Passed the PROTECT Act, which allows U.S. law enforcement to prosecute Americans who travel abroad to sexually abuse minors;

-- Launched a domestic public awareness campaign to help rescue victims;

-- Developed the successful Operation Predator initiative to identify, investigate, and arrest child sex criminals, including traffickers;

-- Awarded a grant to World Vision to conduct a public awareness campaign to deter American tourists in foreign countries from engaging in commercial sexual exploitation of children;

-- Secured a commitment from the travel and tourism industry to develop a Code of Conduct to Prevent the Sexual Exploitation of Children in Travel and Tourism.

International Cooperation

Because human trafficking is transnational, international partnerships are critical to win the fight against this modern-day slavery. Cooperation with other countries has contributed to the prosecution

worldwide of nearly 8,000 perpetrators of trafficking crimes, resulting in more than 2,800 convictions in 2003.

The State Department is working extensively with other governments on action plans for prevention, protection of victims, and prosecution.

Modern-day slavery and its demand must be stopped. This is not a victimless or harmless crime, and governments should engage the public in a campaign to help expose and end this tragic exploitation of human beings.

*EPF310 09/15/2004

Fact Sheet: U.S. Plans to Advance Roadmap to Middle East Peace

(This is a U.S. priority at the United Nations General Assembly)

The following is one of a series of seven fact sheets describing U.S. goals at the 59th session of the United Nations General Assembly:

U.S. DEPARTMENT OF STATE
Bureau of Public Affairs

TO FURTHER THE ROADMAP TO PEACE IN THE MIDDLE EAST

"America will work without tiring to achieve two states, Israel and Palestine, living side by side in security and prosperity and in peace."

-- President George W. Bush, May 9, 2003

The United States continues to actively pursue President Bush's goal of Israel and Palestine living together in peace and security. To this end, the U.S. is working to achieve the goals of the Roadmap, which is a performance-based approach to a permanent two-state solution to the Israeli-Palestinian conflict.

The 58th U.N. General Assembly adopted 21 resolutions concerning the Israeli-Palestinian conflict. Many of those resolutions implied that only Israel has obligations and responsibilities to make peace. They failed to address both sides of the larger security

context of the Middle East, including devastating suicide attacks against Israel. One-sided resolutions only serve to undermine the ability of the United Nations to play a constructive role in promoting peace. We believe all resolutions on Israeli-Palestinian peace should reflect the balance of mutual responsibilities embodied by the Roadmap.

The Roadmap, endorsed in the Security Council Resolution 1515, outlines the obligations and responsibilities of both parties to achieve peace and security. To facilitate that solution, the United States seeks to bring balance to the number and content of Middle East resolutions in the General Assembly.

As in previous years, the U.S. will encourage the General Assembly to reduce the overall number of Middle East resolutions introduced. The U.S. also hopes the General Assembly will adopt a resolution condemning anti-Semitism and make more references to anti-Semitism in pertinent resolutions. The U.S. will continue to advocate for the abolition of the Special Committee to Investigate Israeli Practices and other bodies that are biased against Israel.

The international community has long recognized that resolution of this conflict must come through negotiated settlement. The United States seeks to bring balance to Middle East resolutions to better support the peace process and the implementation of the Roadmap.

Highlights of the Roadmap

-- The goal is the comprehensive settlement of the Israeli-Palestinian conflict.

-- Phase I of the Roadmap includes ending terror and violence, normalizing Palestinian life, and building Palestinian institutions. Palestinians and Israelis resume security cooperation, and Palestinians undertake comprehensive political reform in preparation for statehood, including drafting a Palestinian constitution, and holding free, fair, and open elections.

-- In Phase II, efforts are focused on the option of creating an independent Palestinian state with provisional borders and attributes of sovereignty, based on the new constitution.

-- Phase III results in a permanent status agreement and the end of the Israeli-Palestinian conflict. Comprehensive settlement will result in the emergence of an independent, democratic, and viable Palestinian state living side by side in peace and security with Israel and its other neighbors.

*EPF312 09/15/2004

Text: U.S. Funding Work in Environmental Change and Emerging Diseases

(Projects show how large-scale environmental events alter global disease risk)

The U.S. National Science Foundation (NSF) and the National Institutes of Health have funded six projects under the Ecology of Infectious Diseases (EID) program to study ecological and biological mechanisms that govern relationships between human-induced environmental changes and the emergence and transmission of infectious diseases, according to a September 14 NSF press release.

Interdisciplinary projects funded through the program will study how large-scale environmental events -- such as habitat destruction, biological invasion and pollution --alter the risks of viral, parasitic and bacterial diseases emerging in humans and animals.

"Over the past 20 years, unprecedented rates of change in non-human biodiversity have coincided with the emergence and re-emergence of numerous infectious diseases around the world," said Sam Scheiner, NSF's EID program director. "The coincidence of broad-scale environmental changes and the emergence of infectious diseases may point to underlying and predictable ecological relationships."

This year's EID awards include funding for studies of the ecology, dynamics and spatial spread of raccoon rabies in places such as Fairfax County, Virginia; the link between marine pathogens and molluscan shellfish; the effects of deforestation on the prevalence of blood-borne pathogens in African rainforest birds; ecological influences on rabies infections in bats; the epidemiological dynamics of cholera; and the eco-epidemiology of disease emergence in urban areas.

Information about the Ecology of Infectious Diseases program is available at <http://www.nsf.gov/bio/pubs/awards/eid.htm>

Text of the NSF press release follows:

Ecology of Infectious Diseases Grants Awarded by National Science Foundation, National Institutes of Health

ARLINGTON, Va. — The National Science Foundation (NSF) and the National Institutes of Health (NIH) have announced funding for six projects under the Ecology of Infectious Diseases (EID) program, the fifth year of funding in this multi-year effort. The joint program supports efforts to understand the ecological and biological mechanisms that govern relationships between human-induced environmental changes and the emergence and transmission of infectious diseases.

Interdisciplinary projects funded through the EID program will study how large-scale environmental events—such as habitat destruction, biological invasion and pollution—alter the risks of viral, parasitic and bacterial diseases emerging in humans and animals.

"Over the past 20 years, unprecedented rates of change in non-human biodiversity have coincided with the emergence and re-emergence of numerous infectious diseases around the world," said Sam Scheiner, EID program director at NSF. "The coincidence of broad-scale environmental changes and the emergence of infectious diseases may point to underlying and predictable ecological relationships."

Yet both basic and applied research in infectious disease ecology has been largely piecemeal, said Scheiner. According to infectious disease specialists and ecologists, the potential benefits of an interdisciplinary research program in this area include: development of disease transmission theory; improved understanding of unintended health effects of development projects; increased capacity to forecast outbreaks; and improved understanding of how diseases emerge and re-emerge. Previous research looked only at diseases after they reached humans or only at non-human animals. The EID program links those different components to produce a

comprehensive understanding of disease transmission.

"We're trying to put scientists, public health officials and environmental planners in the driver's seat rather than in a reactive mode for disease control," said Josh Rosenthal, program director at NIH's Fogarty International Center, which co-funded the research.

The need for increased understanding is being driven by the increased pace of global change, society's greater global mobility and the threat of the deliberate release of disease organisms. By knowing how natural systems work, public health officials can recognize when an outbreak is unnatural. The recent outbreaks of West Nile Virus and SARS show how little is known about the ecology of infectious diseases.

This year's EID awards include studies of the ecology, dynamics and spatial spread of raccoon rabies in places such as Fairfax County, Virginia; the link between marine pathogens and molluscan shellfish; the effects of deforestation on the prevalence of blood-borne pathogens in African rainforest birds; ecological influences on rabies infections in bats; the epidemiological dynamics of cholera; and the eco-epidemiology of disease emergence in urban areas.

For more information on the EID program, and on this year's EID grant awards, please see:
<http://www.nsf.gov/bio/pubs/awards/eid.htm>

The National Science Foundation (NSF) is an independent federal agency that supports fundamental research and education across all fields of science and engineering, with an annual budget of nearly \$5.58 billion. NSF funds reach all 50 states through grants to nearly 2,000 universities and institutions. Each year, NSF receives about 40,000 competitive requests for funding, and makes about 11,000 new funding awards. The NSF also awards over \$200 million in professional and service contracts yearly.

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*EPF316 09/15/2004

World Financial Markets Strongest in Years, IMF Says

(But private banking group calls for renewed crisis-prevention measures)

By Andrzej Zwanecki
 Washington File Staff Writer

Washington -- Global financial markets appear stronger than at any time since the major decline of the U.S. stock market in 2000 despite higher interest rates and oil prices, an International Monetary Fund (IMF) report says.

"Our assessment on the stability of the global financial system is very positive. Some might even say it is sanguine," said Gerd Hausler, director of the IMF's international capital markets department, during a September 15 press briefing on the report.

In its semiannual "Global Financial Stability Report" published the same day, the IMF said that robust global growth, a strong capital base and risk diversification have helped financial institutions to gain significant resilience.

(The report can be viewed at <http://www.imf.org/external/pubs/ft/GFSR/2004/02/index.htm>.)

Hausler said, however, that in the long run the trend to shift more financial risk to less regulated and open institutions such as insurance companies and pension funds may create problems.

Strong increases in gross revenue combined with a sharp reduction in corporate default rates and in non-performing loans have created a "strong cushion of comfort" for the world's financial industry, the report said.

With this cushion, banks and other financial institutions could absorb considerable shocks, it said.

But "short of a major and devastating geopolitical incident or a terrorist attack ... it is hard to see where systemic threat could come from in the short term," it said.

The IMF said investors tend to discriminate more now between good and not-so-good risks rather than bet on risky investments and rush out of emerging markets when those investments turn bad. Nevertheless, the report said that the most immediate risk, however low, was that investors might become too complacent and return to "indiscriminate risk behavior" based on how smooth financial markets adjusted to the interest rates increases instituted in 2004, the first increases in four years.

The report praised the Federal Reserve Board, the U.S. central bank, for its effective communication strategy concerning intended rate increases that, combined with better risk management at many institutions, helped to keep financial markets calm.

Even more, it said that the central bank's plan to restore interest rates to a "normal" level could make the economic expansion and benign market situation more sustainable.

A private-banking group, however, struck a less upbeat note in its assessment of financial stability in emerging markets. In a September 14 letter to the International Monetary and Financial Committee (IMFC), the IMF's policy-making body, the Washington-based Institute of International Finance (IIF) called for concrete action to revitalize crisis-prevention mechanisms for emerging markets. The letter cited "critical" uncertainties in the global economy, including high oil prices, the prospect of rising interest rates and geopolitical risks, to support its call.

(The letter can be viewed at http://www.iif.com/data/public/icdc_0904.pdf.)

"The latitude for policy mistakes is narrowing as we enter a period of tightening global liquidity, and consistency in policy implementation will be crucial in the period ahead," wrote Charles Dallara, managing director of the IIF, which represents more than 330 of the world's largest banks and other financial institutions.

The institute's proposal for a renewed crisis prevention system includes steps to facilitate early detection of imbalances, the prompt identification of remedies aimed at rebuilding investor confidence, stronger responses to the banking sector problems in

emerging markets, and improved effectiveness of IMF surveillance.

IIF also urged policy makers in major emerging markets, senior bankers and investors to complete their work on developing a new, voluntary market-based approach to managing and resolving financial crises. It said that such a system is urgently needed because a basic international framework to address such crises does not exist and IMF's handling of the crisis in Argentina calls into question "certain aspects of its role" in crisis-management and -resolution efforts.

IIF called on finance ministers and central bank governors who make up the IMFC to help resolve the impasse in talks between Argentina and its creditors.

The institute strongly criticized the IMF program for Argentina agreed in September 2003, which it said is "particularly weak and has not yet led to economic measures that will foster sustainable growth or to a negotiated restructuring of its debt."

Negotiations between the IMF and Argentina broke down because of disagreements over budgetary targets and the pace of structural reforms.

With those discussions on hold, the IIF said, it is even less clear how Argentina can negotiate a restructuring agreement with the private holders of its \$100 billion defaulted debt.

Dallara said that progress is needed to show that Argentina was an "isolated case that does not preclude responsible parties from strengthening the fabric of the system for the benefit of all."

On another issue, IIF said that net capital flows could reach \$227 billion in 2004, the highest level since 1997.

It added, however, that the prospects for continued private capital flows to emerging markets are intertwined with the outlook for the global economy, geopolitical risks and continued global imbalances.

The Institute for International Economics (IIE), an economic research group in Washington, projected September 15 that higher oil prices and declining momentum in the U.S. and Chinese economies will slow the expansion of the world economy in 2005.

Michael Mussa of IIE, a former IMF chief economist, projected 5 percent real global gross domestic product (GDP) growth for 2004 and 3.75 percent in 2005 on a year-over-year basis.

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